

Message Text

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ACTION EB-07

INFO OCT-01 AF-08 ARA-06 EA-07 EUR-12 NEA-10 ERDA-05
AID-05 CEA-01 CIAE-00 CIEP-01 COME-00 DODE-00 FEAE-00
FPC-01 H-01 INR-07 INT-05 L-03 NSAE-00 NSC-05 OMB-01
PM-04 OES-06 SP-02 SS-15 STR-04 TRSE-00 ACDA-07 PA-01
PRS-01 ISO-00 NSCE-00 SSO-00 USIE-00 INRE-00 /126 W
-----061444Z 092282 /65

O R 061404Z JAN 77
FM AMEMBASSY LAGOS
TO SECSTATE WASHDC IMMEDIATE 8544
INFO AMEMBASSY ABU DHABI
AMEMBASSY ABIDJAN
AMEMBASSY ALGIERS
AMEMBASSY BEIRUT
USINT BAGHDAD
AMEMBASSY BONN
AMEMBASSY BRUSSELS
AMEMBASSY CARACAS
AMEMBASSY COTONOU
AMEMBASSY DAKAR
AMEMBASSY DOHA
AMEMBASSY JAKARTA
AMEMBASSY FREETOWN
AMEMBASSY JIDDA
AMEMBASSY KINSHASA
/AMEMBASSY KUWAIT 171
AMEMBASSY LIBREVILLE
AMEMBASSY LOME
AMEMBASSY LONDON
AMEMBASSY MONROVIA
AMEMBASSY PARIS
AMEMBASSY QUITO
AMEMBASSY ROME
AMEMBASSY TEHRAN
AMEMBASSY THE HAGUE
AMEMBASSY TRIPOLI
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AMEMBASSY VIENNA
AMEMBASSY YAOUNDE

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E.O. 11652: N/A

TAGS: ENRG, NI

SUBJECT: NIGERIA SETS NEW CRUDE OIL PRICES

1. NIGERIAN NATIONAL OIL COMPANY (NNOC) INFORMED MOST OIL COMPANIES BY LETTER OVER WEEKEND OF NEW SALES PRICES FOR VARIOUS EXPORT BLENDS OF NIGERIAN CRUDE. ALL PRICES BELOW ARE IN DOLLARS PER BARREL.

(A) BRASS RIVER 40 TO 44 API, UP 1.06 FROM 13.34 TO 14.40, OR 7.95 PERCENT.

(B) BONNY LIGHT AND QUA IBOE 37 API, UP 1.06 FROM 13.25 TO 14.31, OR EXACTLY 8 PERCENT.

(C) ESCRAVOS 36 API, UP 1.06 FROM 13.22 TO 14.28, OR 8.02 PERCENT.

(D) FORCADOS 31 API, UP 1.01 FROM 13.07 TO 14.08, OR 7.73 PERCENT.

(E) BONNY MEDIUM 21 API UP 1.19 FROM 12.52 TO 13.71, OR 9.5 PERCENT.

2. TEXACO HAS NOT YET RECEIVED NOTIFICATION OF PRICE FOR ITS PENNINGTON 34 API CRUDE.

3. PRICE OF MOST NIGERIAN CRUDES THUS INCREASED BY LESS IN BOTH PERCENTAGE AND ABSOLUTE TERMS THAN THE DOLLARS 1.19 DECIDED ON BY OPEC ELEVEN. MEDIUM WEIGHT FORCADOS 31 API WAS CONSIDERED BY SOME TO HAVE BEEN OVERPRICED IN FOURTH QUARTER 1976, WHICH MAY ACCOUNT FOR SLIGHTLY LOWER INCREASE APPLIED TO THIS CRUDE. FMG HAD DIFFICULTY SELLING HEAVIER BONNY MEDIUM 21 API CRUDE IN SECOND QUARTER 1976. THEREFORE, IN LAST HALF OF YEAR, PRICE OF BONNY MEDIUM SET IN SUCH A WAY THAT IT WAS NO LONGER LINKED TO OTHER CRUDES BY THREE CENTS LIMITED OFFICIAL USE

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PER DEGREE GRAVITY ESCALATION FACTOR. HOWEVER, RECENT PICKUP IN SPOT FUEL OIL PRICES AND COLD WEATHER IN US AND EUROPE MAY HAVE LED FMG TO BELIEVE MARKET WOULD NOT SUPPORT RELATIVELY BETTER PRICE FOR BONNY MEDIUM. THUS THIS CRUDE ONLY NIGERIAN OIL TO BE INCREASED BY 1.19 DECIDED UPON AT OPEC MEETING IN DOHA.

4. COMPANIES NOW WAITING ANXIOUSLY TO SEE WHAT FMG WILL DO WITH POSTED PRICES. FMG COULD BOOST LOW PROFIT MARGINS BY RAISING POSTED PRICE BY SMALLER PERCENTAGE THAN SALES PRICE.
EASUM

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NNN

Message Attributes

Automatic Decaptioning: X
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Channel Indicators: n/a
Current Classification: UNCLASSIFIED
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Control Number: n/a
Copy: SINGLE
Sent Date: 06-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Litigation Codes:
Litigation History:
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Status: NATIVE
Subject: NIGERIA SETS NEW CRUDE OIL PRICES
TAGS: ENRG, ETRD, NI
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Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/8074b8dc-c288-dd11-92da-001cc4696bcc
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22 May 2009
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